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BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION
LOCKET CONTROL

KRISTIN K. MAYES
Chairman

GARY PIERCE
Commissioner

PAUL NEWMAN
Commissioner

SANDRA D. KENNEDY
Commissioner

BOB STUMP,
Commissioner

In the Matter of the Application For a)
Finding of No Jurisdiction or For a)
Waiver of the Affiliated Interests Rules)
Pursuant to A.A.C. R14-2-806, or, in)
The Alternative, For Approval of an)
Affiliated Interests Transaction)
Pursuant to A.A.C. R14-2-801 et seq.)

Docket No: SW-01303A-06-0274
W-01303A-06-0274
WS-01303A-06-0274

NOTICE OF COMPLIANCE FILING

Pursuant to Paragraph 17.G of Arizona Corporation Commission Decision #69344,
Arizona American Water Company gives notice that on November 17 and 24, 2009, RWE sold,
via its final public supplemental offering, the remainder of its American Water stock thereby
completing its divestiture. A copy of the press release related to the November 2009 offering and
the completion of the divestiture is attached as Exhibit A.

RESPECTFULLY SUBMITTED this 21st day of January, 2010.

LEWIS AND ROCA LLP

Thomas H. Campbell
Michael T. Hallam
40 N. Central Avenue
Phoenix, Arizona 85004

Attorneys for Arizona American Water Company

Arizona Corporation Commission
DOCKETED

JAN 21 2010

DOCKETED BY

ORIGINAL and thirteen (13)
copies of the foregoing filed this
21st day of January, 2010, with:

The Arizona Corporation Commission
Utilities Division – Docket Control
1200 W. Washington Street
Phoenix, Arizona 85007

COPY of the foregoing hand-delivered
this 21st day of January, 2010 to:

Dwight Nodes
Assistant Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

Janice Alward
Legal Department
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

Steve Olea, Director
Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

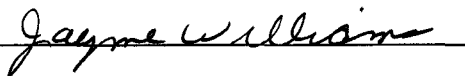


EXHIBIT A



American Water Announces RWE to Complete Divestiture

Underwriters Exercise Option to Purchase Additional Shares

VOORHEES, N.J., Nov 24, 2009 (BUSINESS WIRE) -- American Water Works Company, Inc. (NYSE: AWK), the largest investor-owned U.S. water and wastewater utility company, today announced that the underwriters of the recent public offering of American Water's common stock have exercised their option to purchase 3.7 million additional shares of American Water's common stock from the selling stockholder in the offering, a subsidiary of RWE AG.

An offering of 37.4 million shares of American Water common stock priced at \$21.63 per share on November 17, 2009. All the shares were sold by the selling stockholder, with all proceeds going to RWE. As a result of the full exercise of the underwriter's option, RWE will sell all of its shares of American Water's common stock.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

An effective registration statement relating to these securities is on file with the U.S. Securities and Exchange Commission. A copy of the final prospectus and prospectus supplement may be obtained by contacting any of the following:

- BofA Merrill Lynch, 4 World Financial Center, New York, NY 10080, Attention: Preliminary Prospectus Department or email Prospectus.Requests@ml.com.
- Credit Suisse Securities (USA) LLC, Attention: Prospectus Department, One Madison Avenue, New York, NY 10010, telephone +1 800 221 1037
- Morgan Stanley & Co., Incorporated, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, NY 10014, email: prospectus@morganstanley.com, telephone +1 866-718-1649.

You may also obtain the final prospectus and prospectus supplement on the U.S. Securities and Exchange Commission's website at <http://www.sec.gov>.

About American Water

Founded in 1886, American Water is the largest investor-owned U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs more than 7,000 dedicated professionals who provide drinking water, wastewater and other related services to approximately 15 million people in 32 states and Ontario, Canada.

SOURCE: American Water Works Company, Inc.

American Water Works Company, Inc.
Edward Vallejo
Vice President, Investor Relations
856-566-4005
edward.vallejo@amwater.com
or
Maureen Duffy
Director, Communications
856-309-4546
maureen.duffy@amwater.com

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American Water Prices Common Stock Offerings

RWE will complete its full divestiture if underwriters' exercise option

VOORHEES, N.J., Nov 17, 2009 (BUSINESS WIRE) -- American Water (NYSE: AWK) announced today an offering of 37.4 million shares of common stock priced at \$21.63 per share. All the shares will be sold by the selling stockholder, a subsidiary of RWE AG, with proceeds going to RWE AG. American Water will not sell any shares and will not receive any proceeds.

RWE granted the underwriters a 30-day option to purchase up to 3.7 million additional shares. After the offering, assuming the full exercise of the underwriters' option, the selling stockholder will have sold all of its shares of American Water's common stock.

RWE acquired American Water in 2003 and announced its intention to fully divest of the company in 2005.

BofA Merrill Lynch, Credit Suisse Securities (USA) LLC and Morgan Stanley & Co., Incorporated are acting as joint book-running managers in connection with the offering.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

An effective registration statement relating to these securities is on file with the U.S. Securities and Exchange Commission. A copy of the final prospectus and prospectus supplement may be obtained when they are available by contacting any of the following:

- BofA Merrill Lynch, 4 World Financial Center, New York, NY 10080, Attn: Preliminary Prospectus Department or email Prospectus.Requests@ml.com.
- Credit Suisse Securities (USA) LLC, Attention: Prospectus Department, One Madison Avenue, New York, NY 10010, telephone +1 800 221 1037
- Morgan Stanley & Co., Incorporated, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, NY 10014, email: prospectus@morganstanley.com, telephone +1 866-718-1649.

You may also obtain the final prospectus and prospectus supplement when they are available on the U.S. Securities and Exchange Commission's website at <http://www.sec.gov>.

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SOURCE: American Water

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